Read The Tribune's Employment Agency columns if you want to get in touch with select help.—Advt.

Steel Closed 1920 Stronger Despite Slump

Current Assets $702,370,000 Compared With $672,295,000 at End of 1919; Liabilities Were Less

Plants Near Capacity

Total Funded Debt Reduced; Earnings $109,694,000 Net; $76,600,364 in '19

The United States Steel Corporation not only earned $109,694,000 net available for dividends in 1920 as compared with $76,600,364 in 1919, but was able also to continue its policy of accumulating reserves, reinvesting surplus in its property and reducing liabilities, almost uninterrupted by the great change which took place in the steel industry in 1920.

For the entire year the output of the steel plants, measured by the tonnage of finished products for sale, averaged 88.3 per cent of total rated capacity. No change was made during the year in the domestic prices for the principal steel products. During the year $102,956,000 was spent for capital purposes, and of this $27,000,000 was charged to 1920 income account.

Total current assets at the end of 1920 were $702,370,000, compared with $672,295,000 at the end of 1919. The most important changes in current assets were an expansion in accounts receivable from $88,193,000 in 1919 to $138,725,000 in 1920, and a decrease in cash on hand from $166,727,000 in 1919 to $123,661,000 in 1920. There was a decrease also in marketable securities, including Liberty bonds and United States Treasury certificates, from $159,070,000 to $150,351,000, and in amounts due from the United States railroad administration from $24,755,000 to $17,962,000.

There was an expansion in inventories from $226,797,000 to $258,363,000, and in bills receivable from $4,613,000 to $10,688,000.

Current Liabilities Decrease

Current liabilities at the end of 1919 totaled $157,071,000, and at the end of 1920 were slightly less, $156,745,000. The principal changes were a decrease in accrued taxes from $70,574,000 to $63,064,000, and an increase in current accounts payable from $61,487,000 to $73,542,000, and the elimination of a current liability of $4,680,000 installments received on employees' Liberty bond subscriptions carried on the 1919 balance sheet.

There was a reduction in the total funded debt outstanding of about $14,000,000, bringing the total figure to $554,828,000 in 1920. Altogether this is a remarkable balance sheet statement for the end of the year in which the last three months were generally supposed to have been months of severe strain on the American steel industry.

It is worth while once again to compare the current balance sheet statement with that made at the end of the first nine months of operation by the Steel Corporation in 1901, and such a comparison is particularly significant this year because it shows on the one hand that the financial transactions of 1920 were not an exceptionally conservative course pursued in anticipation of a period of depression in the steel trade, and, on the other hand, it tends to emphasize the fact that even in a year of readjustment from war conditions the Steel Corporation was able to pursue the even tenor of its way.

In 1901 the property of the Steel Corporation was valued at $1,437,494,000. Against this there was outstanding $1,018,386,000 par value of stock and $362,482,000 face value of funded debt.

In 1920 the property was valued at $1,995,100,000, and from this was subtracted $388,342,000 for depletion and depreciation, as representing actual balances in various funds and money invested in redeemed bonds and bonds retired through sinking funds, making the net property account $1,606,758,000, or an increase of less than $200,000,000 in the nineteen years. Against this property there were outstanding $868,584,000 par value of stock and $554,828,000 face value of bonds. The decrease in stock comes within about $40,000,000 of offsetting the increase in funded debt, but in 1901, besides the funded debt, there was $19,068,000 purchase money obligations outstanding of subsidiaries, and this had been reduced to $365,000 in 1920.

Increase in Securities Only $21,000,000

In other words, the net increase in outstanding securities has been in the neighborhood of $21,000,000.

In the mean time reserve funds had been increased from $21,236,000 in 1901 to $154,052,000 at the end of 1920. Appropriated surplus invested in additions and construction has been increased from $21,236,000 to $140,899,000 and surplus had been built up from $174,344,000 to $523,455,000.

Furthermore the margin between current assets and current liabilities, which in 1901 was approximately $156,000,000, has been increased in 1920 to $550,000,000, and of this increased net working capital $168,000,000 approximately is an increase in cash.

The average number of employees of the Steel Corporation in 1920 was 267,345, an increase as compared with 1919 of 6.04 per cent. Total pay rolls amounted to $581,557,000, an increase as compared with the previous year of 21.27 per cent. The average daily wage was $7 in 1920, as against $6.17 in 1919.

In January, 1921, with wages past the peak, employees made the largest stock subscription in the history of the company. Up to March 11, 1921, 81,722 employees had subscribed for $25,532,500 par value of stock at 81. This compares with 63,278 subscriptions in 1919 for a total of $16,120,000 par value.

End of Oil Monopoly Asked

PARIS, March 22.—Complete suppression of the government monopoly in the petroleum trade is called for in a bill concerning regulation of the importation of petrol, which was considered to-day by the Council of Ministers, presided over by President Millerand.

Financial Items

G. De B. Greene, formerly associated with E. H. Rollins & Sons in Boston and New York, has been elected vice-president and director of W. A. Harriman & Co., Inc.

The French American Banking Corporation received yesterday $40,000 in gold from Montevideo by the steamship Bonheur.

The Guaranty Trust Company of New York has been appointed transfer agent of the common stock of the General Syndicate, Inc.

Frank T. Gilson has resigned as assistant secretary of the National Surety Company to accept an executive position with the Commercial Casualty Insurance Company of Newark. He will establish, manage and develop a fidelity and surety bond department.

The Public Utilities Commission of Wyoming has granted rate increases to the Cheyenne Light, Fuel and Power Company, a Cities Service subsidiary, in its gas and steam heating departments. It is estimated that these increases, which are effective as of February 21, will increase the gross revenue in the gas department about 30 per cent and in the steam heating department about 37 per cent.

Investment Information

Questions of general interest to investors will be answered in this column, in which case only initials will be used. Others will be answered by mail. Address all inquiries, inclosing a stamped, addressed envelope, to Financial Editor, The Tribune, 154 Nassau Street, New York City.

Will Take $35,000 from Banks

Question—I have $35,000 in savings banks and would like to invest same in listed preferred stocks or bonds to yield 6 per cent to 7 per cent, safety first, as I am a man 59 years old and expect to be unemployed to retire in about three years, and this is all I have to depend on for income. I have some Liberty bonds.—T.F.

Answer—Long term bonds are now selling at prices to yield less than short term bonds, but have this advantage, that they do not require a reinvestment of the money within a few years. It would seem to us safer to put your money into three or four high grade investment bonds rather than into one issue. For instance, one good railroad bond, Union Pacific-Central Pacific 4s, due 1949, selling at 72; one good industrial bond, say the United States Steel sinking fund 5 per cent bonds, due 1951; one good public utility bond, such as the Bell Telephone of Pennsylvania 7s, due 1945, and one good foreign government bond, such as the Dominion of Canada 5s, making a diversified investment.

Woman Fears for Ship Stock

Question—I have had some shares in the United States Steamship Company for the last two years. I have not received any dividends. As you can see from the inclosed letter, they are making an offer to the stockholders. I was very much in hopes I might get some of it back. If you would advise me what to do, also if you think the stock will ever come to anything. At least, I might be able to get half my money out of it.—(Miss) S. A. K.

Answer—We do not see why you should exchange your United States Steamship stock for United States Ship stock at the ratio of five for four when by selling the Steamship and buying the Ship in the open market you can get five for five, or close to it. Neither company makes public a financial statement, and we cannot tell you, therefore, what hope you have of getting your money back.

Trustees' Bonds Yielding Over 6

Question—Having $3,000 to invest ($1,500 being trust funds), will you suggest best bonds to purchase paying 6½ per cent or over?—J. H. C.

Answer—As a trustee in New York State you are limited to bonds that are legal for savings banks, and 6½ per cent is rather difficult to get. The Delaware River Railroad & Bridge first 4s, due 1936, selling around 83, yield, if held to maturity, 6.59 per cent. The Louisville & Nashville, Cincinnati & Lexington 4½ per cent bonds are selling around 88 and yield between 6 and 6½ per cent. The Milwaukee, Lake Shore & Western, Michigan division, first 6s, due 1924, selling around 99, yield about 6.28 per cent, and the Minneapolis, Sault Ste. Marie & Atlantic first 4s, due 1926, selling around 88, yield a little over 6½ per cent.

Fears Loss in Safety Vault

Question—Will you kindly tell me the safest way of keeping Libety bonds? Would you suggest registering them? Would a safe deposit vault be advisable? In the latter case, is the bank responsible in case of fire or burglary? Will you also suggest some good savings bank with a fair percentage of interest?—Miss D. K.

Answer—Registering a bond prevents the payment of the principal or principal and interest, according to how it is registered, to any person except the owner, but it affects the salability of the bond adversely; that is, they do not bring as much as coupon bonds as a rule. In case of loss of a registered bond it requires a great deal of trouble and some expense to have the bond replaced. If you hold enough Liberties to justify the expense the safest place for them is a safe deposit vault. We never heard of a burglary or fire causing loss in such a vault and therefore we do not know what would happen. We doubt if the company would stand the loss. All savings banks in this state operate under strict rules and supervision, and we, therefore, do not feel warranted in picking out any of them for recommendation. Choose the most convenient one.

Stock Literature Proves Alluring

Question—We have had forwarded to us some very attractive literature in the form of a splendid booklet concerning the Universal Tire Company, of South Bend, Ind. We have been informed that you are splendidly posted on all such concerns and we desire to ask your opinion of this concern and if you think that the stock is now selling for and what the par value is and what the dividends have been. They are making a drive on what they term "part" ownership allotment.—H. A. L.

Answer—Pretty booklets will not earn dividends for you. The things to scrutinize about a stock offering are the balance sheet, statement of earnings and capitalization and the prospects for a market for the shares. If the salesman cannot satisfy you on all these points do not let him sell the stuff to some one else. If you do not feel confident of your ability to gauge the data mentioned take them to your bank or your broker.

Needless Worry Over Swiss 8s

Question—Last July I purchased a $1,000 bond Switzerland 8 per cent, thinking it a very good investment, and I got it at the issuing price of 100. I would like to have your opinion as to whether it would be better policy for me to sell this bond now and buy a domestic bond at a lower rate of interest, or, in other words, is it safe to hold? I ask this in view of the very unsettled condition in Europe, especially in regard to the German situation.—T. C.

Answer—As long as Switzerland went through the war with credit unimpaired, we do not see why you should magnify the present flurry into a cause for selling your Swiss 8s. We doubt if you could improve your investment, though, of course, if you are going to be nervous about foreign bonds because they are foreign you had better stick to domestic issues. Those which are as secure as the Swiss issues will not yield as much, however.

Held Pennsylvania Twelve Years

Question—I own 100 shares of Pennsylvania, which were bought over twelve years ago, and of course I have a severe loss, but have been thinking it might be well to switch into other stocks. I had in mind Southern Pacific, Texas Company and Westinghouse.—H. A. R.

Answer—Southern Pacific and Westinghouse, in our opinion, are both in a stronger position than Pennsylvania. Texas Company stock is speculative, and we do not undertake to advise about it. Your experience with Pennsylvania shows that common stocks, even the best of them, are too speculative for permanent investment. We suggest, if you switch, that you select a good bond rather than a stock. Then twelve years from now you will not find yourself in the same predicament as you are now in.

School Teacher to Invest $1,000

Question—Kindly advise me as to the best use I may make of $1,000 depositd in savings banks at 4 per cent. This is my entire capital, but I am employed at $2,400 a year as a public school teacher. A British friend suggested Dunlap Rubber Company (English) shares. What do you suggest?

Answer—If $1,000 is your whole capital, do not buy stock with it. A good bond for you is the Canadian Northern Railroad 7 per cent 1941, which is not callable until 1935, and is guaranteed, principal and interest, by the Dominion government. You can buy it at about 101.

Four full columns of investment questions and answers are published in The Tribune every Sunday.

'Railroads Have Touched Bottom,' Cuyler Asserts

Recent Improvement Indicates Worst Has Been Seen, at Least for the Present, Executive Says

Declaring that within the last two weeks there has been a substantial improvement in traffic conditions, T. De Witt Cuyler, chairman of the Association of Railway Executives, gave it as his opinion yesterday that the railroads had seen the worst of their troubles, at least for the time being. Mr. Cuyler, who had just returned from Chicago, where he had testified before the Railroad Labor Board on the question of continuing national agreements, said the Labor Board showed every disposition to give an early decision.

"Personally, I feel that the railroads have touched bottom," said the head of the association that represents more than 90 per cent of the railroad mileage of the country. "There has been a decided improvement within the last two weeks in the movement of general commodities, which indicates a betterment in general business. I look for this improvement to continue, but do not anticipate any boom.

"I have not been as pessimistic as some of my associates who are closer to the operating end of the railroads, and although I expect continued improvement I do not think it will be great enough to wipe out the deficits that were piled up in the first part of the year."

Mr. Cuyler stressed the point that the railroads will be able to put into effect many needed economies if they are permitted to prescribe for their workmen the same conditions that apply in other industries, where the managements are not tied down by national agreements.

The standing committee of the Association of Railway Executives will meet at 61 Broadway to-morrow to hear the report of the meeting held recently in Philadelphia with the heads of the four railroad brotherhoods. Although no public or official statement was made public regarding the nature of that discussion, it was assumed that it had to do with wages and national boards of adjustment. Mr. Cuyler announced at the conclusion of that conference that "progress had been made."

Day's New Issues

Harris, Forbes & Co. are offering $500,000 Lucas County, Ohio, highway 6 per cent bonds, due 1924 to 1931, and to yield 5.60 to 5.90 per cent. These bonds are a direct obligation of the county of which Toledo is the county seat. The bonded debt is less than 1 per cent of the assessed valuation.

Goodyear Meeting March 29

AKRON, Ohio, March 22.—The date of the meeting of the Goodyear Tire and Rubber Company stockholders was fixed to-day for March 29, it was announced at the company's offices. The meeting which was postponed until today and then postponed for another week has been held up pending the obtaining of unanimous consent of creditors to the refinancing plan. These consents are being obtained and indications are that everything will be in shape for the meeting next week, it was said.

Nevada Railroad Rates Up

WASHINGTON, March 22.—Railroad passenger and freight rates within the State of Nevada were ordered to-day by the Interstate Commerce Commission increased to the level in effect in interstate commerce, effective April 28.

The Day's Bond Market

The Tribune prints each day the maturity dates of all active bonds quoted on the New York Stock Exchange. The return on a bond to the investor depends upon three factors: the rate of interest the security bears, the market price and the distance of the maturity date. To figure the precise yield on a bond it is necessary to use yield tables, but the approximate yield can roughly be figured out by the following formula: Divide the closing quotation on a bond into the rate of interest it pays, and the result will be the annual return. If the bond is selling below par you must allow also for the appreciation of the principal. To do this subtract the market quotation from par, or 100, and divide the remainder by the number of years the bond has to run before maturity. For example, if a 6 per cent bond is selling at 90 and has ten years to run, the annual return will be 6.66 per cent. The difference between par and the market price will be 10 points, subtracting 90 from 100. Dividing ten points by ten years, the quotient will be 1. This figure is to be added to 6.66, which is the annual return, and the result 7.66 per cent. will give you the approximate yield.

U. S. Government

Transactions

	Sales.	Yield.
Liberty 3½s, 1947	$281,000	4.10
do 1st 4s	1,000	4.86
do 2d 4s, 1942	72,000	5.00
do 1st 4¼s, 1947	53,000	5.12
do 2d 4¼s, 1942	461,000	5.26
do 3d 4¼s, 1928	849,000	5.80
do 4th 4¼s, 1938	940,000	5.37
Victory 4¾s, 1923	1,116,000	5.90
do 3¾s, 1923	6,000	4.87

Quotations

	High.	Low.	Last.	Net chge.
Liberty 3½s	90.50	90.32	90.50	+.06
do 1st 4s	87.26	87.26	87.26	+.06
do 2d 4s	86.83	86.82	86.82	+.04
do 1st 4¼s	87.38	87.20	87.20	—.20
do 2d 4¼s	86.90	86.82	86.84	—.06
do 3d 4¼s	90.18	90.00	90.08	—.10
do 4th 4¼s	87.14	87.02	87.04	—.10
Victory 4¾s	97.28	97.22	97.30	—
do 3¾s	97.30	97.30	97.30	+.02

Bid and Asked Quotations

Liberty bonds.	Yesterday.	Monday.
3½s, 1947	90.44@90.50	90.40@90.50
1st 4s, 1947	87.16@87.30	87.00@87.40
1st 4¼s, 1947	86.76@86.87	87.30@87.40
2d 4s, 1942	87.16@87.30	86.80@86.87
2d 4¼s, 1942	86.84@86.88	86.90@86.94
3d 4¼s, 1928	90.10@90.14	90.16@90.18
4th 4¼s, 1938	87.04@87.08	87.12@87.14
Vic 4¾s, 1923	97.26@97.30	97.30@97.32
do 3¾s, 1923	97.26@97.30	97.30@97.34
Pre-war issues:		
2s, reg, 1930	99¾@100¼	99¾@100¼
2s, coup, 1930	99¾@100¼	99¾@100¼
3s, reg, 1946	89 @ 92	89 @ 92
3s, coup, 1946	89 @ 92	89 @ 92
4s, reg, 1925	104⅛@104½	104⅛@104½
4s, coup, 1925	104⅛@104½	104⅛@104½
2s, Pan c, 1936	99¾@100¼	99¾@100¼
2s, Pan r, 1936	99¾@100¼	99¾@100¼
2s, Pan c, 1938	99¾@100¼	99¾@100¼
2s, Pan r, 1938	99¾@100¼	99¾@100¼
3s, Pan reg	78 @ 80	78 @ 80
3s, Pan coup	78 @ 80	78 @ 80
Phil 4s, 1934	80½@ 86	84½@ 86
Phil 4s, 1935	80½@ —	81½@ —
Phil 4s, 1936	80½@ —	80½@ —
Dist Col 3s, 1965	95 @ —	95 @ —

Foreign Govt. and Municipal Bonds

(Interest to be added)

	Bid.	Asked.
City of Bergen 8s rcts	93	94¾
do Berne	95¾	96
do Christiana	95½	96
do Zurich	95	96
Argentine Intern 5s, 1945	69¾	71
Belgian 8s	97⅛	97½
Kingdom of Belgium 6s	90¼	91
do 7½s, 1945	96¼	97
Canada, Dom of 5s, 1921	98¾	99⅞
do notes, 1921	98½	99¾
do 1926	91	91¼
do 1929	92¾	93
do 1931	88¾	89
Danish 8s	97½	98
do 8s B	97¼	98
Denmark 8s	98½	98¾
Chinese Gvt Hu Kug Ry 5s, 1951	40¾	41
Norway 8s	99½	100
Province of Alberta 4½s	83½	85
Cuba extern. 5s, 1944	79	80
do 5s, series A, 1949	78	79¾
do 4½s, 1949	68	70
Republic of Chile 8s	99	99½
Dominican Republic 5s, 1958	80½	82

City of Lyons 15-yr 6s, 1934	74	74¾
do Marseilles 15-yr 6s, 1934	74	74¾
do Bordeaux 15-yr 6s, 1934	74	74¾
do Copenhagen 25-yr 5½s, '44	72	72½
French Govt 8s, 1st issue	98½	98¾
French, Paris City 6s, 1921	96¾	96¼

(Sales)

Railway, Other Corporations

Norval Hawkins, formerly general sales manager of the Ford Motor Company, will join the General Motors Company on April 1 as a member of the advisory staff, located at Detroit, handling matters pertaining to sales, advertising and service.